

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

LEHMAN BROTHERS INC.,

Debtor.

Case No. 08-01420 (SCC) SIPA

**DECLARATION OF ROBERT T. HONEYWELL IN SUPPORT OF FIRSTBANK
PUERTO RICO'S MOTION FOR SUMMARY JUDGMENT ON AND OPPOSITION TO
TRUSTEE'S MOTION FOR AN ORDER EXPUNGING FIRSTBANK PUERTO RICO'S
CUSTOMER CLAIM**

ROBERT T. HONEYWELL, under penalty of perjury, hereby declares as follows:

1. I submit this declaration in support of FirstBank Puerto Rico's Motion for Summary Judgment On and Opposition to Trustee's Motion for an Order Expunging FirstBank Puerto Rico's Customer Claim (the "Motion").

2. I am employed as Counsel at K&L Gates LLP ("K&L Gates"), the attorneys for FirstBank Puerto Rico ("FirstBank") in the above-captioned matter. I am duly admitted before this Court. The statements made herein are based on my personal knowledge and upon review of publicly available materials.

3. Attached as Exhibit A is a true and correct copy of the "Expert Report of Esther Mills, CPA," dated July 25, 2014 ("Mills Report"). Ms. Mills was retained by K&L Gates on behalf of FirstBank as an expert witness on accounting and financial reporting issues. The Mills Report is signed by Ms. Mills under penalty of perjury.

4. Attached as Exhibit B is a true and correct copy of the transcript of the Deposition of Leonard J. Legotte, taken on July 15, 2014 (the “Legotte Deposition”).¹

5. Attached as Exhibit C is a true and correct copy of the Motion for Order Approving Trustee’s Allocation of Property of the Estate, dated Oct. 5, 2009 [ECF No. 1866]) (the “Trustee’s First Allocation Motion”), with exhibits omitted.

6. Attached as Exhibit D is a true and correct copy of a document retrieved from the website of Jenner & Block, the law firm retained by Anton R. Valukas, the Court-appointed Examiner for the Chapter 11 proceedings styled *In re Lehman Brothers Holdings Inc. et al.* (Case No. 08-13555) (SCC) (Jointly Administered) (the “Examiner website”), Bates stamped LBEX-SIPA 007456 through LBEX-SIPA 007458, and entitled “Subordination Agreement entered into on this February 21, 1995, by and between Lehman Brothers Inc., a Delaware corporation (‘LBI’) and Lehman Brothers Special Financing Inc., a Delaware Corporation (the ‘Lender’).”

7. Attached as Exhibit E is a true and correct copy of a document retrieved from the Examiner website, Bates stamped LBEX-SIPA 007450 through LBEX-SIPA 007452, and entitled “Subordination Agreement entered into on this February 21, 1995, by and between Lehman Brothers Inc., a Delaware corporation (‘LBI’), and Lehman Brothers Commercial Corporation, a Delaware corporation (the ‘Lender’).”

8. Attached as Exhibit F is a true and correct copy of a document retrieved from the Examiner website, Bates stamped LBEX-SIPA 007471 through LBEX-SIPA 007474, and entitled “Subordination Agreement entered into on this October 13, 1995, by and between

¹ Errata to the transcript are still being confirmed with the Trustee and Mr. Legotte.

Lehman Brothers Inc., a Delaware corporation ('LBI'), and Lehman Brothers Finance S.A., a Swiss corporation (the 'Lender')."

9. Attached as Exhibit G is a true and correct copy of a document retrieved from the Examiner website, Bates stamped JMP-2004 0031786 through JPM-2004 0031836, and entitled "Clearance Agreement," originally executed on June 7, 2000, and June 15, 2000, with various amendments (the "Chase Clearance Agreement").

10. Attached as Exhibit H is a true and correct copy of a document retrieved from the Examiner website, Bates stamped JPM-2004 0085662 through JPM-2004 0085683, and entitled "Amendment to Clearance Agreement," dated May 30, 2008, among Lehman Brothers Inc., Lehman Commercial Paper Inc., and JPMorgan Chase Bank, N.A. ("Chase").

11. Attached as Exhibit I is a true and correct copy of a document retrieved from the Examiner website, Bates stamped JPM-EXAMINER00006151_000001 through JPM-EXAMINER00006151_000120, showing a list of entries under various columns, including "BDAS acct designation," "Security cash movement DDA," "BDAS acct description," and "Book entry security routing address" (the "Chase Account List").

12. Attached as Exhibit J is a true and correct copy of the Declaration of Leonard J. Legotte in Support of the Trustee's Motion for an Order Confirming the Trustee's Determination of Claims Related to Repurchase Agreements, dated Apr. 5, 2012 [ECF No. 5010] (the "Legotte 2012 Declaration"), with exhibits omitted.

13. Attached as Exhibit K is a true and correct copy of a document retrieved from the online FINRA BrokerCheck report system, containing a BrokerCheck report for Alexandre F. Crepeau, dated July 25, 2014.

14. Attached as Exhibit L is a true and correct copy of the LBI fiscal year 2007 Form X-17A-5 filing with the SEC, file-stamped January 29, 2008 (the “LBI 2007 Annual Report”).

15. Attached as Exhibit M are true and correct copies of excerpts from a document retrieved from the Examiner website, Bates stamped LBEX-AM 5642400 through LBEX-AM 5642997, showing a list of names under various columns, including “EmplId,” “Name,” “LE Name” (including “Lehman Brothers Inc.”), “DeptId,” and “Dept Name” (the “Employee Spreadsheet”).²

16. Attached as Exhibit N is a true and accurate copy of a document retrieved from the Examiner website, Bates stamped LBEX-DOCID 3102619, showing a spreadsheet with the footer “LEHMAN BROTHERS” and a list names under various columns, including “Hdct Date,” “Name,” “Hire Date,” “Department” and “Department City.”

17. Attached as Exhibit O is a true and accurate copy of a document retrieved from the Merrill Lynch website, entitled “Merrill Lynch (Bank of America Corporation): The Margin Lending Program Client Agreement.”

18. Attached as Exhibit P is a true and accurate copy of a document retrieved from the Oppenheimer & Co., Inc. website, entitled “Oppenheimer: Margin Disclosure Document.”

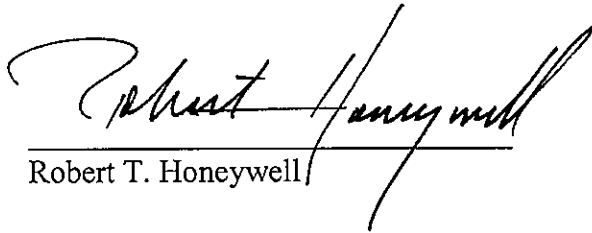
19. Attached as Exhibit Q is a true and accurate copy of a document retrieved from the website of the Royal Bank of Canada (RBC), entitled “Client RBC Express Credit Account Agreement and Application.”

² The Employee Spreadsheet is a 598-page document described in the accompanying Rule 7056-1 Statement of Undisputed Facts in Support of FirstBank Puerto Rico’s Motion for Summary Judgment on FirstBank Puerto Rico’s Customer Claim, filed herewith, at ¶ 129 n. 21. For the convenience of the Court and the parties, the entire document is not attached hereto, but is available upon request.

20. Attached as Exhibit R is a true and accurate copy of a document retrieved from the website of Wells Fargo entitled "WellsTrade Securities Account Agreement Margin Account."

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED this 25th day of July, 2014, at New York, New York.



Robert T. Honeywell